

CIN: L92490TN1983PLC009903

Corporate Office: 7, Sham Nath Marg, Delhi-110 054

Telephone: 91-11-2389 0505

Website: www.eihassociatedhotels.in, E-mail: isdho@oberoigroup.com

26th March 2024

The National Stock Exchange of India Limited Exchange Plaza, 5 th Floor Plot No.C/1, G Block Bandra Kurla Complex Bandra (East) Mumbai -400 051 Code: EIHAHOTELS	The BSE Limited Corporate Relationship Dept. 1 st Floor, New Trading Ring Rotunda Building Phiroze Jeejeebhoy Towers Dalal Street, Fort, Mumbai-400001 Code: 523127
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Sub: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

This disclosure is made pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Company received orders from DCIT Central Circle, confirming penalty on the disallowance of claim of education cess as an allowable deduction for the Financial Years 2016-17 and 2017-18. The Company had claimed education cess as an allowable expenditure u/s 37(1) in its return of income, based on the clarification provided by the CBDT in its Circular No 91/58/66-ITJ (19) dated 18th May 1967 and various favourable judicial decisions. In the said Circular as well as the Court rulings, it was held that cess is not a 'tax', and hence does not come under the ambit of disallowance mentioned u/s 40(a)(ii).

The claims were disallowed in regular assessment, u/s 143(3) in the respective years. The assessee preferred an appeal before the CIT(A) based on the above judicial principles. The LD CIT(A) confirmed the action of the AO, in light with the amendment in Section 40(a)(ii) introduced by the Finance Act 2022, wherein it was clarified that the term tax had included and always have been deemed to have included the terms surcharge", "additional surcharge" and "cess". The said clarification became retrospectively effective since AY 2005-06. Though this view was nonexistent at the time of passing of assessment order, the AO initiated the penalty proceedings and levied penalty u/s 270A with the observation that the assessee had under reported its income.

Tax and fine impose is as per following details:

Financial Year	2016-17	2017-18
Assessment Year	2017-18	2018-19
Amount of alleged under-reporting	Rs. 1,26,25,121/-	Rs. 69,23,907/-
Tax amount	Rs.55,61,886/-	Rs. 23,96,226/-
Penalty (50% of Tax amount)	Rs.27,80,943/-	Rs. 11,98,113/-

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The Company has decided to file an appeal against the orders. The financial impact of the aforesaid orders is to the extent of the fine levied.

Intimation of the penalty orders for FY 2016-17 (AY 2017-18) was received on 25th March 2024 at 14:56 and penalty orders FY 2017-19 (AY 2018-19) was received on 25th March 2024 at 19:39.

The above may please be taken on record.

Thanking you,

Yours faithfully,

For ElH Associated Hotels Limited

Tejasvi Dixit
Company Secretary